REMARKS

Claims 1, 5-15, and 18-22 are pending, including independent claims 1, 8, 10, 12, 14, 15, and 20-22. Claims 12-14 and 22 are allowed. Claims 5-7, 18 and 19 are objected to, but contain allowable subject matter.

Claims 1, 8-11, 15, 20 and 21 are rejected under 35 U.S.C. § 103(a) as obvious over the "Ebay Publication" in view of newly cited U.S. Patent 5,948,061 ("Merriman"). Applicant disagrees with this rejection.

Claim 1 recites a method of ranking vendor offerings from at least one on-line vendor that match a search parameter of a user. For each offering, the method estimates a revenue to be generated for the ranking entity. The estimated revenue includes an estimated click revenue calculated using an estimated likelihood that the user will click on a hyperlink associated with the offering and a fee to be paid to the ranking entity if the user clicks on the hyperlink. The method compares the estimated revenues for the respective offerings and ranks the offerings so as to increase the income received by the ranking entity.

Regarding claim 1, the Examiner identified the Featured Auction option of the Ebay Publication as being relevant. This document states that the fees incurred for selling on eBay include an Insertion Fee and a Final Value Fee (p. 7). The Insertion Fee for a listing varies according to the type of item, the type of auction, the value of the opening/ minimum bid, and any listing options that are selected (pp. 7-8). For a Featured Auction, the additional option fee is $99.95. The Final Value Fee for a listing varies according to the type of item, the type of auction, the value of the high bid, and the bid activity (pp. 8-9).

As the Examiner noted previously, it appears that a Featured Auction will automatically appear at the top of the listings. Thus, there is no mechanism described in the Ebay Publication to compare the total fee attributable to a Featured Auction listing versus the total fee attributable to another listing. Moreover, depending on the item, type of auction, etc., the total fee attributable to another listing may be greater than the total fee attributable to the Featured Auction listing. Thus, the Ebay Publication does

not describe comparing estimated revenues of the offerings and ranking the offerings "to increase income received by" the ranking entity, as recited in claim 1.

In addition, the Ebay Publication does not disclose calculating an estimated click revenue for an offering, as recited in claim 1. The Ebay Publication does not disclose that Ebay is paid when a user clicks on a Featured Auction listing. Rather, the fees for a Featured Auction listing are a combination of fixed fees (Insertion fee, Option fees) and a Final Value fee (e.g., based on the closing or highest bid). Therefore, the Ebay Publication does not describe or suggest a click revenue, a click likelihood, or ranking offerings based on estimated revenues that include click revenues.

The Examiner concedes that the Ebay Publication fails to disclose estimating a click likelihood, but asserts that this feature is found in Merriman. However, Merriman is directed to the targeted delivery of advertisements over a network (e.g., title, Abstract, col. 1, line 64 to col. 2, line 3) and mentions only that click through rates can be reported (col. 8, lines 34-38).

There is no suggestion or teaching in the cited references that their teachings could or should be combined to result in Applicant's invention. The Court of Appeals for the Federal Circuit has made it clear that such a suggestion or motivation is required to support an obviousness rejection.

> Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under section 103, teachings can be combined only if there is some suggestion or incentive to do so.

ACS Hospital Systems, *Inc. v. Montefiore Hospital*, 221 U.S.P.Q. 929, 933 (Fed. Cir. 1984) (emphasis added). The Court of Appeals has also advised:

> It is impermissible within the framework of section 103 to pick and choose from any one reference only so much of it as will support a given position to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one skilled in the art.

Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, 230 U.S.P.Q. 416, 419 (Fed. Cir. 1986) (quoting *In Re Wesslaw*, 147 U.S.P.Q. 391, 393 (C.C.P.A. 1965)). Since

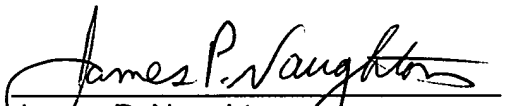
neither of the cited references provides any suggestion or motivation to combine them, their combination is improper and the Examiner's rejection should be withdrawn.

Independent claims 8, 15 and 20 similarly distinguish over the cited references because those claims recite, inter alia, the use of click likelihoods to calculate click revenues, and comparing the estimated revenues to rank offerings relative to one another. Again, these features are neither disclosed nor suggested in the cited references as explained above for claim 1.

Independent claims 10 and 21 include, inter alia, the features of using purchase likelihoods (that a user will click on a link and purchase an offered item) to calculate purchase commission revenues for the ranking entity, and comparing the estimated revenues to rank offerings relative to one another. These features are not disclosed or suggested in the cited references, and in fact, the Examiner does not provide any explanation of the rejections of these claims. Therefore, the rejections of these claims should be withdrawn as well.

In summary, Applicant submits that the rejected claims are patentable over the cited references and requests reconsideration and allowance of this application. If the Examiner believes the application still is not in condition for allowance, he is requested to telephone Applicant's undersigned attorney at 312-321-4723.

Respectfully submitted,



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